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RELEASE ON TERMINATION OF LEASE

*Hand, Mueller & White
3235 45th St
Hammond 46322
R. Mueller*

This Agreement executed this 4th day of November, 1985, between HAMMOND SCOTT SCHOOL HOLDING CORPORATION, an Indiana corporation (hereinafter "Corporation"); SCHOOL CITY OF HAMMOND, INDIANA (hereinafter "School City"); and the MERCANTILE NATIONAL BANK OF INDIANA, as trustee (hereinafter "Trustee")

WHEREAS, said rental payments were made to the Trustee pursuant to the Lease and Trust Indenture, and the Trustee by investment for the Corporation of certain portions of said rental payments in the Hammond Scott School Holding Corporation Sinking Fund (the "Sinking Fund") has realized a return of money in excess of the purchase price; and

WHEREAS, on the 29th day of April, 1985, the School notified the Corporation of its intent to exercise its option to purchase the Charles N. Scott Middle School, pursuant to the Lease between the Corporation and the School City, leasing the Charles N. Scott Middle School, located at 3635 - 173rd Street, Hammond, Indiana; and

WHEREAS, the Corporation notified the School City that the sum of money necessary to exercise said option was Ten Dollars (\$10) and other good and valuable consideration and that said sum has now been paid; and

WHEREAS, the Trustee has confirmed that there are sufficient funds on hand at the Mercantile National Bank of Indiana to pay for the redemption of all bonds issued under a Trust Indenture dated the

STATE OF INDIANA
HAMMOND COUNTY
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1st day of March, 1970, to finance the construction of said Charles N. Scott Middle School; and

WHEREAS, the Trustee has escrowed sufficient funds as of the 1st day of September, 1985, to redeem all outstanding bonds and pay all expenses of the Corporation; and

WHEREAS, the Corporation did on the 7th day of August, 1985, issue and publish its notice calling and redeeming all outstanding bonds of the Corporation, which redemption date occurred on the 1st day of September, 1985; and

WHEREAS, the corporate purpose of the Corporation has now been satisfied, it is now the intention of the Corporation to voluntarily dissolve and transfer all remaining assets of said Corporation to the School City; and

WHEREAS, contemporaneously with the execution of this agreement, the Corporation has tendered to the School City its corporate warranty deed for the Charles N. Scott Middle School located at 3635 - 173rd Street, Hammond, Indiana, and will submit after December 17, 1985 a draft drawn on the Mercantile National Bank of Indiana in the amount of Four Hundred Thousand Dollars (\$400,000) as and for a partial distribution of the remaining assets of said Corporation and final distribution upon the complete dissolution of the Corporation and the payment of all expenses incurred by the Corporation in completing dissolution and distribution including, but not limited, the costs of publication, attorneys fees, trustee fees and other filings necessitated by said dissolution.

W I T N E S S E T H:

For and in consideration of the payment to the Corporation of the sum of Ten Dollars (\$10) and other good and valuable consideration, receipt of which hereby is acknowledged by the Corporation, and in consideration of the mutual agreements herein made and set forth, the parties agree as follows:

1. The parties have fully performed all of their respective obligations under the Lease and Trust Indenture except as they relate to termination as provided herein, and specifically the Trustee has paid all bonds according to their tenor by depositing sufficient funds in escrow on September 1, 1985 for redemption thereof and there are no remaining debts or obligations relating to such bonds.

2. The Trustee will release and discharge the Trust Indenture, will assign to the School City all of its rights and obligations in and to the Charles N. Scott Middle School, and will pay to the School City all money remaining in the Sinking Fund after redemption of said bonds, except for termination, liquidation, and dissolution expenses as provided for in the Lease and Trust Indenture.

3. The Lease heretofore executed between the Corporation and the School City and described as follows:

That certain Lease dated the 8th day of September, 1969, executed by and between the Corporation as Lessor and the School City as Lessee, which Lease was recorded the 16th day of March, 1970, as Document No. 52451, leasing and demising certain real property in the City of Hammond, County of Lake, State of Indiana, identified therein as the property commonly known as 3635 - 173rd Street, Hammond, Indiana and legally described as follows:

Parcel 1: The Southwest quarter of the Southwest quarter of the Southeast quarter of Section 10, Township 36 North, Range 9 West of the Second Principal Meridian, in Lake County, Indiana

Parcel 2: The West two (2) acres of the Southeast quarter of the Southwest quarter of the Southeast quarter of Section 10, Township 36 North, Range 9 West of the Second Principal Meridian in the City of Hammond, Lake County, Indiana.

Parcel 3: The southeast quarter of the Southwest quarter of the Southeast quarter except the East 7 acres and except the West 2 acres of Section 10, Township 36 North, Range 9 West of the Second Principal Meridian, in the City of Hammond, Lake County, Indiana.

Parcel 4: The West 65.92 feet of the East 461.52 feet of the Southeast quarter of the Southwest quarter of the Southeast quarter of Section 10, Township 36 North, Range 9 West of the Second Principal Meridian, in Lake County, Indiana

is hereby terminated and cancelled and shall be of no further force or effect, and the Corporation, pursuant to §8 of said Lease, releases, relinquishes and quitclaims to the School City any and all right, title, interest or demand possessed or claimed by the Corporation in or to the property covered by said Lease; and each and all of the parties to this agreement and the agents, employees and representatives of each and all of them are released from any and all liability, past, present or future, of whatsoever kind or character, by reason of or growing out of or arising or existing in connection with the execution of said Lease or any of the terms or provisions thereof, or by reason of the breach or alleged breach or conduct or activity resulting in the breach or alleged breach, of any of the terms or provisions of said Lease.

5. The Trustee now has on hand in the Sinking Fund, money and

securities with an approximate value of Four Hundred Fifty Thousand Dollars (\$450,000) in excess of the sums necessary to redeem said bonds, and the Trustee and the Corporation now assign and will pay to the School City, after December 17, 1985, the sum of Four Hundred Thousand Dollars (\$400,000), and will deliver any remaining sums on hand after the payment of expenses of dissolution.

6. The Trustee and Corporation will proceed with termination as hereinabove stated, with the expenses thereof to be paid from the balance in the Sinking Fund, after which the remaining balance in the Sinking Fund will be paid to the School City.

7. The Corporation and the Trustee acknowledge the receipt of all payments from the School City constituting the purchase price of said real estate as required by said Lease and the Corporation tenders herewith its Corporate Warranty Deed conveying title to said real estate to the School City of Hammond, Indiana, the receipt of which deed is acknowledged by the School City.

8. The Mercantile National Bank of Indiana, as Trustee, hereby certifies that a certain Trust Indenture dated the 1st day of March, 1970, and executed on the 13th day of November, 1970, between the Hammond Scott School Holding Corporation and the Mercantile National Bank of Indiana, as Trustee, wherein the real estate referred to therein was mortgaged to secure the payments, as they mature, of Three Million Two Hundred Thousand Dollars (\$3,200,000) of first mortgage bonds of said building corporation, which Trust Indenture was recorded on the 16th day of March, 1970, as Document No. 52452, in the Office of the Recorder of Lake County, Indiana, is hereby released and satisfied, and the Trustee tenders herewith to the

Corporation its Release of Mortgage for filing with the Recorder of Lake County, Indiana, the receipt of which Release is acknowledged by the Corporation. The Corporation and Trustee hereby release each other from all duties and obligations that each may have had under said Trust Indenture.

9. The undersigned hereby remise, release and forever discharge Hammond Scott School Holding Corporation; Donal P. Teeling, Stanley Grelecki, John Parrish, Opal Parsons, Joseph Jeneske, Robert Nevelo, and Faye Mushinski, as officers and directors of said Corporation; Hand, Muenich & Wilk, as corporation counsel; and Mercantile National Bank of Indiana, as Trustee, together with their agents, servants, employees, officers, insurers, successors and assigns and each and every one of them of and from all claims and demands which the undersigned may now have, or claim to have, or which may hereafter accrue against said releasees, or any one or more of them, arising or growing out of any accident, casualty or event occurring at any time foregoing the date hereof or subsequent thereto, including without limiting the generality of the foregoing, all claims and demands arising out of or growing out of the Lease, the trust indenture, the issuance and redemption of bonds, the transfer of funds to the School City of Hammond, Indiana, and the erection, maintenance, and transfer of the Charles N. Scott Middle School. As part of the consideration for the payment to the undersigned of the amount hereinabove mentioned, the undersigned School City of Hammond, Indiana, hereby releases all claims, injuries and damages, including all those for known and unknown, anticipated and unanticipated events. The undersigned is a school

corporation of the State of Indiana, incorporated under and operating by the laws and statutes of the State of Indiana, in good standing and with authority to execute this release and under no disability, and have relied upon the advice and representation of counsel of their own selection and have read and understand fully the above and foregoing release and have been fully advised as to the legal effect thereof.

10. The School City further agrees to defend, protect, indemnify and save harmless the said Hammond Scott School Holding Corporation; Donal P. Teeling, Stanley Grelecki, John Parrish, Opal Parsons, Joseph Jeneske, Robert Nevelo, and Faye Mushinski, as officers and directors of said Corporation; Hand, Muenich & Wilk, as corporation counsel; and Mercantile National Bank of Indiana, as Trustee, together with their agents, servants, employees, officers, insurers, successors and assigns and each and every one of them if any other person, firm or corporation shall assert or attempt to assert any claims relating to the above and foregoing Lease, or any activities arising therefrom, including without limiting the generality of the foregoing, all claims and demands arising out of or growing out of the Lease, the release, the trust indenture, the issuance and redemption of bonds, the transfer of funds to the School City of Hammond, Indiana, and the erection, maintenance, and transfer of the Charles N. Scott Middle School.

11. The undersigned persons executing this Release on Termination of Lease, on behalf of the School City, represent and certify that each of the undersigned is a duly elected officer of the School City and have been fully empowered by proper resolution,

HAMMOND SCOTT SCHOOL HOLDING CORPORATION

By: Rev. John H. Parrish
JOHN H. PARRISH, Vice President

ATTEST:

Stanley Grelecki
STANLEY GRELECKI, Secretary

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me the undersigned notary public, this 13th day of November, 1985, personally appeared JOHN H. PARRISH as Vice President and STANLEY GRELECKI as Secretary of HAMMOND SCOTT SCHOOL HOLDING CORPORATION and acknowledged the execution of the foregoing Release on Termination of Lease and who having been duly sworn, stated that the representations therein contained are true.

Witness my hand and seal this 13th day of November, 1985.

Michelle A. [Signature]
Notary Public

My Commission Expires: 8-8-87
County of Residence: Lake



